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## **State and County Treasurers meet, discuss economy**



Martin and Doolittle share a keen interest in finance and economics so naturally, there was vigorous discussion about Arizona's economy and when a recovery might take place.

"Right now, Arizona is in a recession brought on by housing. We partied a little too long in the housing market and now we're suffering the hangover," Treasurer Martin said. "The good news is that the fundamentals for the state are still very solid, we're just suffering an imbalance from all the speculation that took place."

Asked whether the economy is different than in previous downturns Martin answered: "This economic cycle isn't anything Arizona hasn't seen before and won't see again. We went through this in the early 80s, again in the early 90s and now we're back."

"The fundamentals are there for a recovery - Arizona has good weather, it's a good place to live and raise a family - it's just going to be slow. It's not going to be bad, but it is going to be long," Martin said.

"Pinal County is benefiting right now from the influx of new retail stores and commercial business," Assessor Larkin said. "The sales tax revenue hasn't flattened as much as in other parts of the state. The Promenade Mall in Casa Grande and new retail in the San Tan region offer convenience to residents and new sources of revenue for the County."

Martin's observations are that the state economy is not likely to be fully recovered from until 2011 or so.

"Treasurer Martin and I are on the same page. You can't ignore your way out of a recession," Doolittle said. "We are responsible to manage the public's money and we need to make careful, cautious decisions at all times, whether it's a boom or a bust."

"Although the law allows me to invest in commercial paper, my opinion is that commercial paper is too risky," Doolittle said. "Most of the County's money is invested in government backed securities."

Pinal County invests a small amount with the State Treasurer, about \$11 million, primarily in the form of AAA rated bonds and repurchase agreements.

"Over \$300 million was invested in the 2007 calendar year at an average rate of return of 5.672 percent," Doolittle said. "Our cautious investing brought in \$12.5 million in additional revenue to the county, schools and special districts. The funds are used to alleviate the burden to taxpayers."

"We hope to see rates of return begin climbing again in early 2009," Doolittle said. "When the Fed reduces prime rates, it affects the earnings to the state and county. It's great when you have debt

you want to pay because interest rates are low. The other side of the equation is that rates of return are also low, putting a damper on the earnings potential of the money we invest."

Treasurers Martin and Doolittle also discussed a secure online banking system offered through the State Treasurer's office. The system integrates several investing and research tools that Doolittle currently uses but consolidates them in a single interface.

A substantial amount of information is available through the Pinal County Treasurer and Assessor's newly updated websites. From the Pinal County home page, select Treasurer to search, print and/or pay property taxes, search tax liens, view a tax payment history, track parcel splits or check on a parcel number. From the Assessor's site, you can do parcel searches, learn about assessments, access frequently used forms and get answers to common questions. Go to [www.pinalcountyz.gov](http://www.pinalcountyz.gov) for more information.

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